STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS PUBLIC UTILITIES COMMISSION

IN RE: NARRAGANSETT ELECTRIC COMPANY

d/b/a NATIONAL GRID'S PROPOSED REVISION

DOCKET NO. 3716

TO LINE EXTENSION POLICIES

ORDER

By order dated February 1, 2006, the Public Utilities Commission ("Commission") ordered Narragansett Electric Company d/b/a National Grid to file updated line extension costs no later than March 1, 2006.¹ On March 1, 2006, National Grid filed updated centerline foot ("CLF") costs as ordered by the Commission. In its filing, National Grid provided analyses in support of increasing the overhead costs from \$8.80 to \$15.03 and the underground rate from \$12.48 to \$22.68.²

In response to National Grid's filing, the Division of Public Utilities and Carriers ("Division") filed a recommendation that implementation of the revised rates by National Grid be suspended until such time as the Division conducted further investigation through discovery.³ At the conclusion of their investigation and on August 25, 2006, the Division filed a memorandum with the Commission recommending that the increases requested by National Grid be implemented over a three year period.⁴ Shortly thereafter, the Division filed additional comparative analysis to further support its position.⁵

At an open meeting on August 29, 2006, the Commission approved the updated and increase centerline foot costs as submitted to be effective immediately.

¹ Order 18536, Docket No. 3716.

² National Grid, March 1, 2006 filing.

³ Division Memorandum, March 7, 2006.

⁴ Division Memorandum, August 25, 2006.

⁵ Division Memorandum, August 29, 2006.

Accordingly, it is hereby

(18775) ORDERED:

 National Grid's proposed revisions of March 1, 2006 to its line extension policies to increase centerline foot costs are hereby approved, effective immediately.

EFFECTIVE AT WARWICK, RHODE ISLAND, IMMEDIATELY, PURSUANT TO AN OPEN MEETING DECISION ON AUGUST 29, 2006. WRITTEN ORDER ISSUED NOVEMBER 17, 2006.

PUBLIC UTILITIES COMMISSION

Elia Germani, Chairman

Robert B. Holbrook, Commissioner

Mary E. Bray, Commissioner